

Distribution Agreement

REASON STUDIOS

General Terms and Conditions

Distribution

Version 2

Updated 14 August 2020

1. GENERAL

1. These General Terms and Conditions for distribution (the "Terms") applies for the distribution of Reason Studios Partner Products ("RSPP") including but not limited to Rack Extensions and ReFill packs. Reason Studios is a company reg. no. 556546-2206, VAT no SE556546220601, Hornsbruksgatan 23, SE-117 34 Stockholm, Sweden. Reason Studios is an online marketplace for sale and distribution of RSPPs via the Marketplace (the "Marketplace").
2. These Terms concluded between the entity specified in the Contract Form (as defined in the Contract Form) and Reason Studios.
3. The individual signing the contract form accompanied by these Terms (the "Contract Form Signatory") warrants that he or she has the authority to enter into these Terms on behalf of the Developer, and that the information provided in the Contract Form is true, updated and complete.
4. In order for the Developer to receive payment from End User purchases, subscriptions or other content, Reason Studios, the Developer must be registered for value added tax in its country of origin and provide a US tax identification number or a similar registration number. The Developer must also ensure that all monetary transactions to take place.

2. RSPP REQUIREMENTS

1. RSPPs marketed, sold and distributed via the Marketplace must at all times comply with the following requirements:
 - a. RSPPs must comply with the requirements and guidelines specified by Reason Studios.
 - b. RSPPs must comply with all applicable laws and regulations in any jurisdiction where the RSPPs are distributed;
 - c. RSPPs may not process any personal data of any individuals or entities purchasing or subscribing to a RSPP ("End User");
 - d. RSPPs must not infringe any third-party intellectual property rights, including, but not limited to, trademarks, patents or design rights;
 - e. Any musical compositions, sound samples or other content incorporated in the RSPPs must be owned by the Developer or the Developer must have acquired a sub licensable right to use such content for the purposes set forth in these Terms. For the avoidance of doubt, the Developer and the End User must be liable to pay any royalty or other compensation to any third party for the use of such samples or other material.

- 3. The Developer shall not hide or misrepresent any feature or functionality of the RSPPs**
- 4. If the Developer makes any changes to the RSPPs (during or after the approval process), the Developer shall submit the RSPPs for approval (or re-approval). Such changes include, but are not limited to, bug fixes, new features, or changes to the RSPPs' functionality.**
- 5. Submissions of RSPPs for approval shall include all necessary information and documentation, and shall be submitted to Reason Studios via the Developer's user account.**
- 6. The Developer is responsible for giving Reason Studios reasonable aid in the approval process, including providing answers and information requested by Reason Studios.**
- 7. Reason Studios endeavours to give its decision on approving or rejecting the submitted RSPP as soon as possible, but no later than 30 days after the Developer submitted the RSPP to Reason Studios for approval.**
- 8. Reason Studios has the right to, at its sole discretion, determine whether the RSPP complies with the requirements set out in Section 2 above. However, Reason Studios shall (at the Developer's request) provide the Developer with the reasons for its rejection.**
- 9. If the Developer is not satisfied with a decision from Reason Studios regarding the rejection of the RSPP, the Developer may refer the matter to the Reason Studios' review board. Reason Studios' review board shall make a final decision on whether to approve or reject the submitted RSPP within fifteen (15) days from when the Developer referred the matter to the Reason Studios review board. The decision of the Reason Studios review board is final.**
- 10. Once Reason Studios has approved the submitted RSPP, Reason Studios shall not be able to revoke the RSPP, unless the Developer is in breach of these Terms or such revocation is required by law.**
- 11. The Developer is solely responsible for any documentation and support or warranty to the End User. The fact that the RSPP has been approved by Reason Studios does not relieve the Developer of its obligations to the End User.**

4. DISTRIBUTION, ETC

- 1. RSPPs which have been approved by Reason Studios in accordance with Section 3 above shall be distributed to End Users via the Marketplace.**
- 2. The Developer hereby grants to Reason Studios an exclusive, non-transferable, non-assignable (for the duration of these Terms, unless otherwise expressly stated) right to distribute and make available through purchase, subscription or rent-to-own the approved RSPPs in accordance with what is set out below:**
 - a. Reason Studios sells the licenses for the RSPPs or makes the RSPPs available through the Marketplace to End Users in its own name through the Marketplace;**
 - b. Reason Studios shall be entitled to distribute and make available through purchase, subscription or rent-to-own RSPPs on a worldwide basis, but reserves the right not to distribute or make available RSPPs in certain countries or regions;**
 - c. Reason Studios shall be entitled to distribute and make available the RSPPs to an unlimited number of End Users, limited to, Microsoft Windows, Apple Mac OS, Apple IOS and Google Android;**
 - d. Reason Studios shall provide hosting service of the RSPPs to allow for End Users to access the RSPPs;**
 - e. Reason Studios is entitled to make copies of, format, compile, or otherwise prepare the RSPPs for distribution, making them available to End Users;**

subscribe to, the RSPP in order to continue to use the RSPP. Reason Studios undertakes a legal mechanism to prevent End Users from continuing to use the RSPP after the expiration of the Free Period.

j. Reason Studios waives its exclusive distribution rights on unlicensed, non-exclusive use. For clarity this waiver does not apply to Rack Extensions.

3. The Developer is not entitled to any compensation or remuneration for the rights granted.

4. The Developer's sole compensation is described in Section 8 of these Terms.

5. END USER LICENSE AGREEMENT

1. The End User License Agreement found on <https://www.reasonstudios.com/agreement> shall apply between the Developer and the End User for purchase of, rent-to-own, or subscription on the Marketplace.

2. The Developer acknowledges that the End User License Agreement is solely between Reason Studios and the End User. Reason Studios shall not be responsible for, or have any liability under the End User License Agreement, for the Developer or the End User of any of the conditions in the End User License Agreement.

6. SUPPORT AND COMPLAINTS

1. The Developer is solely responsible to the End User for any defect and any other matter relating to the RSPP owned or subscribed to. Complaints or questions regarding defects or other matters relating to the RSPP shall be directed to the Developer and not to Reason Studios, and Reason Studios will refer any such complaints or questions to the Developer.

2. In the event that i) the End User, within thirty (30) days from the date of purchase of, rent-to-own, or subscription, notifies Reason Studios that the End User wishes to cancel its purchase, rent-to-own, or subscription, in Reason Studios' opinion (to be reasonably exercised), does not conform with its specifications, the Developer, Reason Studios may at its own discretion refund the End User with the subscription fee paid by the End User. The Developer shall repay Reason Studios such amount and Reason Studios is entitled to deduct such amount from any payment to be made to the Developer. The Developer is not obligated to refund the price, instalment or subscription fee paid by the End User for a period of time limited to, decisions from courts or governmental authorities.

7. REVOCATION

1. Reason Studios shall at any time be entitled to cease making the RSPP available if Reason Studios determines that:

- a. the RSPP does not comply with the requirements set out in section 2.1;
- b. the RSPP cannot be used securely due to technical reasons or a security breach;
- c. the Developer no longer has the right to distribute or make available the RSPP (or any part thereof);
- d. the RSPP violates any applicable law;
- e. the Developer has provided Reason Studios with information that was false or incomplete;
- f. Reason Studios is required by law or decision from authorities to take such action;
- g. the Developer is otherwise in breach of these Terms.

3. The Developer has the right to provide a reasonable number of End Users with RSPPs through the Marketplace. For the avoidance of doubt, the Developer is not entitled to any remuneration for the sale of paid RSPPs.

9. SALES AND SUBSCRIPTION TAXES – VAT

1. Reason Studios is responsible for collecting VAT for the purchases and, where applicable, for the subscriptions through the Marketplace. Reason Studios will collect VAT from End Users when receiving payment in accordance with European Union VAT legislation.
2. The Developer is responsible for providing Reason Studios with all necessary tax documents and the right to withhold payment to the Developer before receiving all necessary tax documents.
3. The Developer shall indemnify Reason Studios for any and all claims by any tax authority arising from the subscriptions, use, goods and services, value added or other tax or levy, and any penalties or interest. Indemnity shall for the sake of clarity not include claims directly relating to Reason Studios' tax obligations.

10. REMITTANCE CURRENCY

1. Reason Studios shall execute payment of the Developer Proceeds in the currency set forth in the Terms of Sale ("Remittance Currency"). In the event that Reason Studios receives the purchase price or subscription fee in a currency other than the Remittance Currency agreed between the Developer and Reason Studios, the purchase price or subscription fee shall be converted to the Remittance Currency. Reason Studios reserves the right to use, in its discretion, the exchange rate applicable on the date the purchase price or subscription fee is received (or, in the case of a subscription fee, the date the subscription fee is received) to convert the purchase price or subscription fee to the Remittance Currency.

11. PAYMENT

1. After collection of payment from End Users for the sale of, or subscription to, RSPPs, Reason Studios shall remit the Developer Proceeds to the Developer in accordance with this Section 11, after deducting its reasonable expenses, including deductions for Reason Studios' remuneration, for sales and/or subscriptions, and for charges and fees reasonably assessed and payable by Reason Studios.
2. Payment shall be made by wire transfer only, and the Developer is responsible for providing Reason Studios with the necessary payment details. The Developer is responsible for the payment of its own bank and any other charges in connection with the remittance of payment to the Developer.
3. Payment will be executed no later than, with respect to sales; forty-five (45) days and with respect to subscriptions; seventy-five (75) days, in both cases following the end of the calendar month within which the payment is received from the End User. Reason Studios will in connection with payments furnish the Developer with a statement of RSPPs sold, rented-to-own or subscribed to and the amount remitted to the Developer. The amount remitted to the Developer will be made available online via the Developer's user account in the Marketplace.
4. The amount payable to the Developer must exceed USD 300. If the payable amount is less than USD 300, Reason Studios, in its discretion, may choose to withhold payment until the next payment period.

12. TERM AND TERMINATION

1. These Terms shall become effective from the date upon which authorized signatories of both parties have executed the Terms of Sale Form and shall thereafter be in force for an initial term period of six (6) months.
2. Unless these Terms are terminated by a party giving the other party not less than three months' written notice, or the expiry of the initial term period, these Terms will continue to be in force until terminated by either party.

13. EFFECTS OF TERMINATION

1. Upon the termination of these Terms, Reason Studios shall no longer have the right to accordance with Section 4.2, excluding its rights under 4.2 (f).

14. INTELLECTUAL PROPERTY RIGHTS

1. All content of the Marketplace, such as text, meta data, graphics, designs, logos, buttons, audio clips, videos, digital downloads and compilation of these, and all software, objects licensed by Reason Studios. The Developer (including the Developer's End Users) may not reuse any of the material from the Marketplace (or parts thereof), unless the Developer has received written consent.
2. Nothing contained herein shall be interpreted as a transfer of any of Reason Studios' rights. All rights expressly granted herein are reserved by Reason Studios.

15. PERSONAL DATA

1. The Developer (including the individual signing the Contract Form on behalf of the Developer) has received information regarding our processing of personal data, which is available at: <https://www.reasonstudios.com/agreements#privacy-policy>.

16. INDEMNITY

1. The Developer shall, for the term of these Terms and a period of five (5) years thereafter, defend, hold harmless and pay any and all third party claim or losses that regards the RSPP, of whatever nature or kind, arising from End Users regarding RSPPs from the Developer (provided, in this case, that the End User has applied) and claims from third parties that the RSPPs infringes the third party's intellectual property rights, costs that Reason Studios may have incurred following such claims, provided, however, the Developer provides prompt notice of any such claim or loss and that ii) Developer is given the opportunity to defend of such claim and that iii) Reason Studios cooperates with the Developer in the defence of such claim.

17. NON-WARRANTY AND LIMITATION OF LIABILITY

1. Reason Studios endeavours to keep the Marketplace available at all times. However, Reason Studios does not warrant that the Marketplace (and all parts thereof) will be continuous, uninterrupted or error-free. The Marketplace is provided on an "as-is" and "as available" basis, without any warranty, whatsoever, including, but not limited to, implied warranties of non-infringement, merchantability or fitness for a particular purpose.
2. Save for Reason Studios' fraud, wilful misconduct or gross negligence, Reason Studios, its employees', consultants', agents', suppliers' and licensors', total maximum liability for claims and regardless of the form of action or the cause of action, whether in contract or tort, arising from or received by Reason Studios for the Developer's sale of RSPPs via the Marketplace the cause of action arose, shall be limited to the amount paid by the Developer for the RSPPs.
3. In no event shall Reason Studios, its affiliates, officers, directors, employees, consultants, agents, suppliers, licensors, be liable for any special, indirect, incidental, punitive or consequential damages, regardless of whether in contract or in tort, including negligence, including, without limitation, damages for loss of data, loss of revenue, loss of profits, loss of goodwill, increased expenses or claims of third parties including your customers, however caused, regardless of whether the possibility of such damages was foreseeable.

3. The Receiving Party will: (a) limit disclosure of any Confidential Information to its Representatives and only for the purpose of fulfilling the Receiving Party's Terms, and only for that purpose; (b) advise its Representatives of the proprietary nature of the Confidential Information and the obligations set forth in these Terms and require such Representatives to keep the Confidential Information strictly confidential by using a reasonable degree of care used by it in safeguarding its own confidential information; and (d) not disclose the Confidential Information to any third parties (except as otherwise provided for herein).

4. The Receiving Party acknowledges that the Disclosing Party's Confidential Information is its proprietary information.

5. The Receiving Party's obligations under this Section 18 shall survive the expiration and termination of these Terms.

19. FORCE MAJEURE

1. Both parties shall be relieved from any and all liabilities by reason of any circumstance that impedes, delays or aggravates any obligations to be fulfilled by it under these Terms, such as acts of God, war, strikes, in the interpretation thereof, acts of authorities, electrical, internet or telecommunication outages, disputes, strikes, major accidents and currency restrictions.

20. NOTICES

1. All notices in connection with these Terms shall be given by personal service, mail or e-mail to the address stated in the Contract Form. A notice shall be deemed to have been given;

a. in the case of personal service: at the time of service;

b. in the case of mail: three (3) days after the date of mailing; and

c. in the case of e-mail: on the date when the email is sent.

2. The Developer is obligated to notify Reason Studios in writing as soon as possible if the Developer becomes aware of any change in its business or similar information and if any other information provided by the Developer is materially false or misleading.

21. MISCELLANEOUS

1. Reason Studios reserves the right to change the terms of these Terms and the End User License Agreement. The Developer agrees that the acceptance of such new terms may be made by the Developer signing these Terms electronically by checking a box or clicking on an "agree" button (or any other similar action).

2. If the Developer does not accept the new terms, the Developer is always entitled to terminate the Agreement by giving Reason Studios thirty (30) days' written notice. If the Developer does not accept the new terms within forty-five (45) days after the Developer was notified of the changed terms. During the term of the Agreement, the new terms for the sake of clarity not come into effect.

3. Reason Studios reserves the right to update, amend, change and/or modify the contract and the End User License Agreement notification and will not be liable to any party in any way for possible consequences of such changes.

4. Unless otherwise expressly agreed in writing, the Contract Form and these Terms constitute the entire agreement between you and Reason Studios with respect to the subject matter contained herein and supersede all prior negotiations, correspondence, undertakings and communications between the Developer and Reason Studios respecting such subject matter. The Developer represents that it has not accepted the terms of any other agreement or representations made by Reason Studios that are not contained in these Terms.